

BRAUN LAW GROUP, P.C.
Michael D. Braun (167413)
12304 Santa Monica Boulevard, Suite 109
Los Angeles, California 90025
Tel: 310.422.7755
Fax: 310.442.7756
Liaison Counsel

KAHN GAUTHIER SWICK, LLC
Lewis S. Kahn (*pro hac vice*)
650 Poydras Street, Suite 2150
New Orleans, Louisiana 70130
Tel: 504.455.1400
Fax: 504.455.1498

- and -

SAXENA WHITE, P.A.
Maya S. Saxena
Joseph E. White, III
2424 North Federal Highway, Suite 2150
Boca Raton, Florida 33431
Tel: 561.394.3399
*Co-Lead Counsel for Lead Plaintiff
and the Class*

KAHN GAUTHIER SWICK, LLC
Kim E. Miller (178370)
12 East 41st Street, Suite 1200
New York, New York 10017
Tel: 212.696.3730
Fax: 504.455.1498
*Co-Lead Counsel for Lead Plaintiff and
the Class*

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA**

ADRIAN G. MONGELI, Individually And On
Behalf of All Others Similarly Situated,

Civil Docket No. 4:06-cv-03936-CW

Lead Plaintiff,

vs.

TERAYON COMMUNICATION SYSTEMS,
INC., JERRY D. CHASE, RAY FRITZ,
EDWARD LOPEZ, CAROL LUSTENADER,
MATTHEW MILLER, ZAKI RAKIB,
SHLOMO RAKIB, MARK A. RICHMAN,
CHRISTOPHER SCHAEPE, MARK SLAVEN,
LEWIS SOLOMON, HOWARD W. SPEAKS,
ARTHUR T. TAYLOR, DAVID WOODROW,
DOUG SABELLA and ERNST & YOUNG,
LLP

Defendants.

**DECLARATION OF LEAD
PLAINTIFF ADRIAN G. MONGELI
IN SUPPORT OF APPLICATION
FOR AWARD OF ATTORNEYS'
FEES AND REIMBURSEMENT OF
EXPENSES**

Date: September 18, 2008
Time: 2:00 p.m.
Courtroom: 2
Judge: Hon. Claudia A. Wilken

1 I, Adrian G. Mongeli, declare as follows:

2 1. I am the Court-appointed Lead Plaintiff in this case. I submit this declaration in
3 support of approval of the settlement and award of attorneys' fees and costs, and in support of
4 my request for reimbursement for my time expended overseeing and assisting counsel with the
5 prosecution of this litigation, in the amount of \$2,341.67, in addition to my *pro rata* share of the
6 settlement.

7 2. On June 23, 2006, the initial complaint in this action was filed by I.B.L.
8 Investments, Ltd. ("IBL"). I purchased Terayon Communication Systems, Inc. ("Terayon")
9 securities between June 28, 2001 and March 1, 2006 (the "Class Period"). Both IBL and I filed
10 competing motions for lead plaintiff on September 11, 2006. IBL withdrew its motion for
11 appointment as lead plaintiff on September 22, 2006. The Court appointed me as Lead Plaintiff
12 on November 8, 2006, pursuant to Section 21D(a)(3)(B) of the Securities Exchange Act of 1934
13 and approved my selection of Kahn Gauthier Swick, LLC and Saxena White, P.A. as Lead
14 Counsel and Braun Law Group as Liaison Counsel.

15 3. On January 8, 2007, through Lead Counsel, I filed on my behalf and for the Class
16 an Amended Class Action Complaint for Violation of the Federal Securities Laws (the
17 "Complaint"), alleging among other things that Defendants had issued materially false and
18 misleading statements and omissions during the Class Period and omitted to disclose the true
19 facts that: (a) Terayon's reported financial results were attributable to improper accounting
20 practices; (b) several Individual Defendants engaged in improper insider stock sales; (c)
21 Terayon's internal accounting controls were materially flawed; and (d) Terayon's outside
22 auditor, Defendant Ernst & Young, ignored purported "red flags" during the Class Period. The
23 Complaint alleges that when the truth was revealed, the stock price declined, causing damages
24 the members of the Class. I reviewed and discussed the amended complaint with counsel and
25 approved its filing.

26 4. After the motions to dismiss were fully briefed and after a hearing set for the
27 motions to dismiss had been reset the business day prior to anticipated hearing of the motions,
28 settlement negotiations ensued. I was involved in the negotiation process, and apprised of all

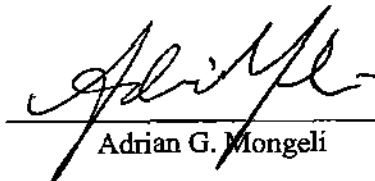
1 efforts by my counsel to resolve the litigation. I approve of the settlement for \$2,730,000 in
2 cash, which I represents the best attainable result for the Class in light of the risks of continuing
3 to litigate this case through trial and potential appeals.
4

5 5. I also approve Lead Counsel's application for an award of attorneys' fees and
6 reimbursement of expenses and I agree to Lead Counsel's request for attorneys' fees of 33 1/3
7 percent of the settlement fund, which is the percentage I initially contracted for with counsel, and
8 for reimbursement of their expenses related to this litigation.
9

10 6. I have been actively involved in all phases of this litigation and have spent 18.73
11 hours in this Litigation on a variety of tasks. These tasks included: communicating regularly
12 with counsel on all aspects of the litigation; discussing, and approving strategy; reviewing and
13 approving the lead plaintiff motion; approving and accepting the appointment of co-lead counsel;
14 reviewing and commenting on the amended complaint; review of the opposition to defendants'
15 motions to dismiss; reading and reviewing the ADR rules of this Court; and reviewing and
16 approving the proposed plan of allocation and the settlement papers.
17

18 7. In my normal course of business, I charge \$125 per hour as a software developer
19 and consultant. I have multiplied the total amount that I spent in this Litigation with my hourly
20 consulting rate, which totals \$2,341.67. In light of the above, I respectfully request that the
21 Court grant my request for reimbursement for time expended, in the amount of \$2,341.67.

22 I declare under penalty of perjury under the laws of the United States of America that the
23 foregoing is true and correct. Executed this 27 day of AUG., 2008 at CALABASAS
24 CALIFORNIA.

25
26 
27 Adrian G. Mongeli
28